

W.R. Grace & Co. - Chapter 11 Filing Entities Combining Balance Sheet MOR - 3 July 31, 2002	
	COMBINED FILING ENTITIES
ASSETS	
Current Assets	
Cash and cash equivalents	\$ 32,202,468
Notes and accounts receivable, net	124,501,037
Receivables from/(payables to) filing and non-filing entities, net	37,673,728
Inventories	82,117,120
Deferred income taxes	9,823,494
Asbestos-related insurance expected to be realized within one year	8,743,966
Other current assets	59,718,525
Total Current Assets	354,780,338
Properties and equipment, net	381,077,464
Goodwill, net	14,411,798
Cash value of company owned life insurance, net of policy loans	86,564,115
Deferred income taxes	500,201,019
Asbestos-related insurance expected to be realized after one year	274,943,452
Loans receivable from/(payable to) filing and non-filing entities, net	430,870,444
Investment in filing and non-filing entities	194,439,504
Other assets	312,260,359
Total Assets	\$ 2,549,548,494
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)	
Liabilities Not Subject to Compromise	
Current Liabilities	
Short-term debt	\$ 1,466,044
Accounts payable	35,846,062
Income taxes payable	4,999,999
Asbestos-related liability expected to be disbursed within one year	(0)
Other current liabilities	42,175,709
Total Current Liabilities	84,487,814
Long-term debt - DIP facility	0
Deferred income taxes	-
Asbestos-related liability expected to be disbursed after one year	(0)
Other liabilities	221,726,766
Total Liabilities Not Subject to Compromise	306,214,580
Liabilities Subject to Compromise	
Debt, pre-petition plus accrued interest	532,829,842
Accounts payable	32,121,582
Income taxes payable	227,479,133
Asbestos-related liability	979,545,376
Other liabilities	540,366,650
Total Liabilities Subject to Compromise	2,312,342,583
Total Liabilities	2,618,557,163
Shareholders' Equity (Deficit)	
Preferred Stock	112
Common Stock	772,288
Paid in capital	433,064,848
(Accumulated deficit)/Retained earnings	(94,382,725)
Treasury stock, at cost	(136,994,960)
Accumulated other comprehensive loss	(271,468,231)
Total Shareholders' Equity (Deficit)	(69,008,669)
Total Liabilities and Shareholders' Equity (Deficit)	\$ 2,549,548,494

Note #3

Certain contingent liabilities of divested businesses are included on the balance sheet of W. R. Grace & Co. - Conn as it is not practical to determine which Debtor bears the ultimate obligation.

Chart 5

W. R. Grace & Co. - Conn Status of Postpetition Taxes MOR-4 July 2002				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
Federal				
Withholding	\$ 177,953	\$ 2,700,993	\$ (2,686,644)	\$ 192,302
FICA - Employee	13,941	1,234,571	(1,240,910)	7,602
FICA and payroll- Employer	1,919,539	1,206,606	(861,654)	2,264,491
Unemployment	-	18,984	(18,984)	-
Other	-	-	-	-
Total Federal Taxes	\$ 2,111,433	\$ 5,161,154	\$ (4,808,192)	\$ 2,464,395
State and Local				
Withholding	\$ 7,359	\$ 854,013	\$ (868,567)	\$ (7,195)
Sales & Use	1,562,790	504,299	(430,438)	1,636,651
Property Taxes	1,539,140	928,757	(224,407)	2,243,490
Other	-	-	-	-
Total State and Local	\$ 3,109,289	\$ 2,287,069	\$ (1,523,412)	\$ 3,872,946
Total Taxes	\$ 5,220,722	\$ 7,448,223	\$ (6,331,604)	\$ 6,337,341

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 5

Remedium Group, Inc. Status of Postpetition Taxes MOR-4 July 2002				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
Federal				
Withholding	\$ 14,350	\$ 13,845	\$ (28,195)	\$ -
FICA - Employee	-	5,484	(5,484)	-
FICA and payroll- Employer	-	5,484	(5,484)	-
Unemployment	-	-	-	-
Other	-	-	-	-
Total Federal Taxes	\$ 14,350	\$ 24,813	\$ (39,163)	\$ -
State and Local				
Withholding	\$ -	\$ 569	\$ (569)	\$ -
Sales & Use	-	-	-	-
Property Taxes	-	-	-	-
Other	-	-	-	-
Total State and Local	\$ -	\$ 569	\$ (569)	\$ -
Total Taxes	\$ 14,350	\$ 25,382	\$ (39,732)	\$ -

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 5

Grace Washington, Inc. Status of Postpetition Taxes MOR-4 July 2002				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
Federal				
Withholding	\$ (2,288)	\$ 13,528	\$ (13,528)	\$ (2,288)
FICA - Employee	(751)	596	(596)	(751)
FICA and payroll- Employer	(2,622)	596	(596)	(2,622)
Unemployment	-	-	-	-
Other	-	-	-	-
Total Federal Taxes	\$ (5,661)	\$ 14,720	\$ (14,720)	\$ (5,661)
State and Local				
Withholding	\$ 1,425	\$ 2,313	\$ (2,313)	\$ 1,425
Sales & Use	-	-	-	-
Property Taxes	-	-	-	-
Other	-	-	-	-
Total State and Local	\$ 1,425	\$ 2,313	\$ (2,313)	\$ 1,425
Total Taxes	\$ (4,236)	\$ 17,033	\$ (17,033)	\$ (4,236)

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 5

L B Realty, Inc. Status of Postpetition Taxes MOR-4 July 2002				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
Federal				
Withholding	\$ (5,964)	\$ -	\$ -	\$ (5,964)
FICA - Employee	(2,542)	-	-	(2,542)
FICA and payroll- Employer	(2,542)	-	-	(2,542)
Unemployment	-	-	-	-
Other	-	-	-	-
Total Federal Taxes	\$ (11,048)	\$ -	\$ -	\$ (11,048)
State and Local				
Withholding	\$ -	\$ -	\$ -	\$ -
Sales & Use	-	-	-	-
Property Taxes	-	-	-	-
Other	-	-	-	-
Total State and Local	\$ -	\$ -	\$ -	\$ -
Total Taxes	\$ (11,048)	\$ -	\$ -	\$ (11,048)

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 5

Darex Puerto Rico, Inc. Status of Postpetition Taxes MOR-4 July 2002				
	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Ending Tax Liability
Federal				
Withholding	\$ -	\$ -	\$ -	\$ -
FICA - Employee	234	937	(937)	234
FICA and payroll- Employer	1,657	937	(656)	1,938
Unemployment	-	-	-	-
Other	-	-	-	-
Total Federal Taxes	\$ 1,891	\$ 1,874	\$ (1,593)	\$ 2,172
State and Local				
Withholding	\$ (32)	\$ 1,569	\$ (1,569)	\$ (32)
Sales & Use	-	-	-	-
Property Taxes	101,126	3,469	-	104,595
Other	-	-	-	-
Total State and Local	\$ 101,094	\$ 5,038	\$ (1,569)	\$ 104,563
Total Taxes	\$ 102,985	\$ 6,912	\$ (3,162)	\$ 106,735

Note #4

Grace's information systems do not provide the detailed nature of invoices in Accounts Payable. See Debtor Questionnaire (Chart 7, MOR – 5) for attestation related to accounts payable and tax obligations.

Chart 6

W. R. Grace & Co. - Conn Accounts Receivable Reconciliation and Aging MOR-5 July 2002	
Trade Accounts Receivable Reconciliation	
Trade accounts receivable, beginning of month, gross	\$ 116,890,924
Amounts billed during the period	74,662,245
Amounts collected during the period	(80,201,403)
Other	4,117,452
Trade accounts receivable at the end of month, gross	\$ 115,469,218
Trade Accounts Receivable Aging	
Current	\$ 80,358,902
1-30 days past due	24,014,757
31-60 days past due	8,133,047
+61 days past due	2,962,512
Trade accounts receivable, gross	115,469,218
Allowance for doubtful accounts	(1,437,793)
Trade accounts receivable, net	\$ 114,031,425
Notes and Accounts Receivable Reconciliation	
Trade accounts receivable, net	\$ 114,031,425
Customer notes and drafts receivable	514,296
Pending customer credit notes	(344,013)
Advances and deposits	5,929,383
Nontrade receivables, net	1,754,317
Total notes and accounts receivable, net	\$ 121,885,408